

# Liquor Control News

The Michigan Liquor Control Commission Bi-Monthly Newsletter



## Chairman's Corner

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Jan./Feb. 2013

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One of the very most important duties we at the Commission have is the approval and wholesaling of distilled spirit products. Unlike with beer and wine, the Commission is the wholesaler of all distilled spirits for the state of Michigan.

Michigan carries a larger selection of distilled spirits products than any other control state. This is something of which I am proud. To be able to say we have the largest selection for our retail tier licensees is important, and helps make sure that they can provide beverage choices that their patrons are demanding. We offer the latest new flavors (we even carry a bacon-flavored vodka) and the most exciting new craft and micro-distilled products.

However, in addition to having the largest selection, we also want to make sure we have the *best* selection. Any wholesaler could indiscriminately select products to offer. Here at the Commission, we have responsibility to make sure our product list isn't crowded with outdated, non-selling, and lethargic products.

Another fact of which I am proud is that we have a progressive listing policy. But in order to prevent list overcrowding, the Commission last year approved a new policy for de-listing products. Effective this year, with exceptions for products with very high shelf prices, in order to remain on the approved product list, 12 cases of the product must have been purchased in a 12 month period after it was listed. If a supplier or vendor wants to have a new vodka added to the list, that's great. However, that supplier or vendor will have to hustle and market that product in order to make sure it stays on the list.

So Michigan will continue to not only have the largest selection of spirits products available, but also the *best* selection.

License Renewals will be mailed March 1, 2013. Make sure to check out page 2 of this newsletter for details on renewing your liquor license in a timely manner and the consequences of not.

Thanks for reading!

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## Michigan Liquor Control Commission Reminds Licensees about the Importance of Renewing Liquor Licenses on Time

Liquor license renewal season is quickly approaching and the Michigan Liquor Control Commission (MLCC) is stressing the importance of renewing on time. Renewal packages will be mailed March 1, 2013 and all licenses are to be renewed by May 1, 2013.

All licenses expire on April 30 of each year and new licenses are to be displayed on the licensed premises by May 1 in order to continue to sell or serve alcoholic beverages and be in compliance with Section 501 of the Liquor Control Code and Rule 436.1107. The completed and signed original license renewal form and the required license fee must be received by the MLCC before April 15 to ensure that the renewed license is received by May 1.

“The Administrative Commissioners and I have spent quite a bit of time discussing the licensing renewal process, and how critical it is that liquor licenses be renewed on a timely basis, and that licensees understand the consequences of not renewing on time,” said MLCC Chairman Andy Deloney.

Consequences of not renewing on time consist of:

- the inability to purchase alcohol;
- the inability to sell or serve alcohol;
- notification to MLCC enforcement staff and local law enforcement agencies of the non-renewed licensees will be sent.

“Online Renewal is available at our website. It’s quick and easy! We also have a great staff that is here to help and answer any questions,” stated Deloney. “There’s no reason not to renew on time.”

To renew online just visit our website at [www.michigan.gov/lcc](http://www.michigan.gov/lcc).

## MLCC Online Services

Don’t forget about all of the wonderful tools the MLCC offers on the website. Check them out today!

- Michigan Liquor Control Commission Application Status Check—great way for you to see where your permit application or your license application is in the process.
- Internet Ordering—an easy method to order your liquor from the MLCC.
- Markup, Price and Profit Calculators or Off-Premises Licensees.
- Licensee Purchase History
- Liquor License Renewal
- Searchable Pricebook
- Etc.



## Office of Regulatory Reinvention Achieves 1,000 Rule Elimination Milestone

Governor Rick Snyder announced on January 9, 2013, that the Office of Regulatory Reinvention (ORR) achieved the milestone of reducing the number of administrative rules in the state by 1,000. The ORR and Department of Environmental Quality (DEQ) recently rescinded the Solid Waste Alternative Program rules that led to reaching of this milestone. This rule set was eliminated at the recommendation of the DEQ and the Advisory Rules Committee (ARC) that reviewed environmental regulations. These rules were obsolete because they covered a grant program that is closed.

"We have made great strides in streamlining Michigan's regulations, while ensuring health, safety and consumer protections remain," said Gov. Rick Snyder. "We are eliminating nearly 10 rules for every one rule added. The result is that Michigan's regulatory environment has become more favorable for business growth and job creation, and more user friendly for all of our customers."

Gov. Rick Snyder created the Office of Regulatory Reinvention in April 2011 with the goal of creating a regulatory climate that is simple, fair, efficient, transparent and supportive of business growth and job creation. At the beginning of the ORR's review, Michigan had 19,230 administrative rules. Today, Michigan has 18,214 administrative rules.

A significant number of the rules rescinded have been from the Department of Agriculture and Rural Development with 296 administrative rules rescinded. Other departments that rescinded a significant number of administrative rules were: the DEQ with the elimination of 170 rules; the Department of Technology, Management and Budget with the elimination of 161 rules; and the Department of Licensing and Regulatory Affairs with the elimination of 156 rules. For a complete list of rules that were eliminated, visit: [http://michigan.gov/documents/lara/Rescinded\\_Rules\\_Log\\_407751\\_7.pdf](http://michigan.gov/documents/lara/Rescinded_Rules_Log_407751_7.pdf)

"The rules eliminated range from obsolete to excessively burdensome," commented LARA Director Steve Arwood. "We aren't close to being finished with our work to improve Michigan's regulatory climate. We expect to continue to make many reforms to improve Michigan's business climate while maintaining necessary protections for Michigan's citizens."

The ORR convened eight ARCs in 2012. The ORR has publicly released its recommendations for five areas: Environmental, Insurance & Finance, Liquor Control, Occupational Licensing, and Workplace Safety.

"The elimination of unnecessary rules is just one piece of the overall reinvention of our regulatory climate," said LARA deputy director Rob Nederhood. "The ORR has been very proactive in working with stakeholders to make recommendations to improve Michigan's regulatory system. Strong partnerships with the legislature and other departments have led to much success in implementing our recommendations already."

The ORR has implemented 43 of its recommendations to Gov. Snyder. To view the ORR's scorecard, visit:

[http://www.michigan.gov/documents/lara/ORR\\_Scorecard\\_382837\\_7.pdf](http://www.michigan.gov/documents/lara/ORR_Scorecard_382837_7.pdf)

### ORR Eliminates 1,000<sup>th</sup> Rule, Supporting Business Growth and Job Creation

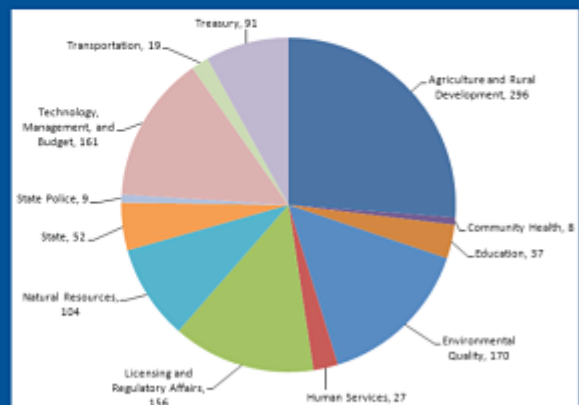
#### Total Number of MI Administrative Rules:

April 24, 2011: **19,230**

Today: **18,214**

The Office of Regulatory Reinvention (ORR) achieved the milestone of reducing the number of administrative rules in the state by 1,000.

#### At a Glance: Rule Eliminations by Department





## Socializing in the New Year



The Michigan Liquor Control Commission (MLCC) has been a part of the social network world for over 3 years now. The MLCC Facebook page has over 750 fans and growing, and our Twitter page has just over 280 followers and counting. This is a great resource for licensees, industry members and constituents to get up-to-date information and news stories surrounding the alcohol industry.

When trying to reach multiple constituencies, social media can be an effective tool to disseminate information broadly and quickly. For the MLCC, that means reaching citizens, licensees, trainers and compliance officials. Facebook and Twitter have been effective tools to reach out to people and increased awareness about what our agency does. Not only do these sites give our fans a platform to discuss new legislation and answer questions regarding our rules and laws, it also gives them up-to-date news and information about what's going on.

The MLCC wants to increase awareness and engage people in intriguing topics that refer to their business, home, or substance abuse coalition. MLCC includes topics like keeping businesses clear of violations and statistics about the dangers of underage drinking.

As the MLCC continues to streamline the licensing and enforcement process visiting the social media sites along with the website will be a valuable source of information.

Please visit [www.michigan.gov/lcc](http://www.michigan.gov/lcc). Follow us on Twitter [www.twitter.com/MLiquorControl](http://www.twitter.com/MLiquorControl), "Like" us on Facebook.



### Michigan Liquor Control Commission Offers Tips on How to Host a Responsible Football Party

The Big Game is one of the most widely watched events in sports, and the number one at-home party event of the year. It is also one of the most dangerous for alcohol related incidents.

According to the National Highway Traffic Safety Administration (NHTSA), in 2010, over 10,000 people were killed in motor vehicle traffic crashes that involved at least one driver with a blood alcohol concentrations (BAC) of .08 or higher.

"Drafting designated drivers will be a sure win for everybody at your party," said MLCC Chairman Andy Deloney. "The Michigan Liquor Control Commission (MLCC) is reminding football fans that if your plans include alcohol, make the right decision before kickoff and plan for safe celebrations by remembering these hosting tips."

- Have designated drivers. Plan to have sober drivers at your party who can escort folks home. Volunteer to be a sober driver at someone else's party.
- Plan ahead to get keys. Prepare a basket or bowl where all of your guests can leave their keys. You are the only person who can retrieve the keys. This way, you can prevent a guest who drank too much from getting behind the wheel.
- Have a cab fare fund. Having available cash to pay cab fare for your guests if they need it reduces the stress on you. If you can't afford to pay for it yourself, ask your guests to pitch in a few bucks on your invitation.
- Have a phone number for a cab company handy. Print the name of a local cab company on your invitation and ask your guests to program it into their mobile phones.
- Purchase non-alcoholic beverages. Always have soft drinks, juices and other non-alcoholic beverages available for those guests who are driving or choose not to drink.
- Plan to be sober. Be a responsible host. Limiting your own alcohol intake will allow you to better determine if a guest is sober enough to drive at the end of the night.
- Don't serve alcohol to minors. The legal drinking age is 21 and, as a host, it is your responsibility to make sure minors aren't drinking.
- Don't force drinks on your guests. Also, don't rush to refill their glasses when empty. Be a smart host; push the food, not the alcohol on your guests.
- Food is the key. Always serve food with alcohol. It is proven that food can help counter the effects of alcohol.
- Stop serving alcohol one hour before the party ends. Serve only coffee, tea and non-alcoholic beverages as the party comes to a close. As the host or hostess, it is your responsibility to help your guests get home safely, so limit the amount of alcohol served toward the end of the party as guests prepare to leave or go home.

For more information about the MLCC, please visit [www.michigan.gov/lcc](http://www.michigan.gov/lcc). Follow us on Twitter [www.twitter.com/MLiquorControl](http://www.twitter.com/MLiquorControl), "Like" us on Facebook.

## **LARA Announces Bureau of Commercial Services Name Change to Corporations, Securities, and Commercial Licensing Bureau, Feb. 1**

Department of Licensing and Regulatory Affairs (LARA) Director Steve Arwood announced on January 23, 2013 that the Bureau of Commercial Services name will be changing to the Corporations, Securities, and Commercial Licensing Bureau (CSCL), effective February 1, 2013.

Gov. Rick Snyder issued Executive Order 2012-13 on September 6, 2012, transferring the Securities Division from the Office of Financial and Insurance Regulation located within LARA, and affording LARA the administrative ability to assign the Securities Division to another agency within the department. The Executive Order ([http://www.michigan.gov/snyder/0,4668,7-277-57577\\_57657-285706--,00.html](http://www.michigan.gov/snyder/0,4668,7-277-57577_57657-285706--,00.html)) took effect 60 days from the date of issue on November 5, 2012.

On November 5, 2012, the Securities Division officially became part of LARA's Bureau of Commercial Services. By changing the name to the Corporations, Securities, and Commercial Licensing Bureau (CSCL), the name will better represent what functions the Bureau provides. The Corporations, Securities, and Commercial Licensing Bureau (CSCL) performs the public facing duties of helping to grow business activity in Michigan through the Corporations Division, and by protecting the health, welfare, and safety of Michigan citizens through regulatory and licensing functions of the Securities, Licensing, and Enforcement divisions. The Bureau includes the following divisions:

- Corporations Division - is charged with promoting economic growth by facilitating the formation and development of business entities in Michigan while ensuring compliance with reporting and registration requirements.
- Securities Division - administers the Michigan Uniform Securities Act and the Living Care Disclosure Act, regulating securities offering, broker-dealers, securities agents, investment advisers, investment adviser representatives and living care facilities. The division is committed to educating and protecting Michigan investors and consumers while fostering efficient capital formation in Michigan.
- Commercial Licensing Division - along with advisory assistance of advisory boards and commissions appointed by the governor, reviews applications, issues licenses, processes renewals, administers continuing education and maintains licensing records for more than 280,000 individuals and businesses regulated by the Bureau.
- Enforcement Division - is responsible for the regulation, investigation and prosecution of consumer complaints filed against licensees for various code and rule violations, as well as fraudulent business practices.
- Regulatory Compliance Division - is responsible for responding to FOIA requests, drafting formal complaints, stipulations, and final orders, scheduling and holding settlement conferences, and houses the cemetery commissioner.

Also, within the Bureau administration are Testing & Education Services, the Audit Section, and centralized bureau functions such as IT, budget, finance, and imaging.

For more information about LARA, please visit [www.michigan.gov/lara](http://www.michigan.gov/lara)

Follow us on Twitter [www.twitter.com/michiganLARA](http://www.twitter.com/michiganLARA)

"Like" us on Facebook or find us on YouTube [www.youtube.com/michiganLARA](http://www.youtube.com/michiganLARA)

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## November 2012 Financial Statement Available on Website



The Michigan Liquor Control Commission (MLCC) approved the August 2012 financial statement at the January 15, 2013 Business Meeting.

The report shows the results of MLCC operations for the period of October 1, 2012 through November 30, 2012 and is compared with the same period from the previous fiscal year.

Highlights of this report include:

- Distilled spirit cases sold have increased 17,644 (1.5%) compared with last year.
- Total Gross Sales have also increased over last year by almost \$8.6 million (5.1%) for the same eight weeks.
- Net Income from Liquor Sales is down approximately \$1.7 million (5.8%) for the eight weeks. This decrease is due to the 1.85% specific tax that was eliminated on October 1, 2012 and higher expenses for technology services.

You can check out the entire report on the MLCC website or by clicking this link:  
[http://www.michigan.gov/documents/lara/November\\_2012\\_Financial\\_Report\\_408461\\_7.pdf](http://www.michigan.gov/documents/lara/November_2012_Financial_Report_408461_7.pdf).

YOUR BIRTHDAY MUST BE ON OR BEFORE  
TODAY'S DATE IN  
**1992**  
TO PURCHASE ALCOHOLIC BEVERAGES

### Warning to Minors

It is a misdemeanor for a minor to ATTEMPT to purchase alcoholic liquor.  
If you try using false identification you may be guilty of another misdemeanor.  
Your driver's license could be suspended.

**We may call the police if you try to buy.**

(MCL 436.1703 and MCL 257.319)  
DISTRIBUTED BY THE MICHIGAN LIQUOR CONTROL COMMISSION  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

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## Age Sign

The MLCC has received multiple phone calls requesting the 2013 Age Sign. These were not included in the most recent price book. Here is the link to the sign. Please feel free to print as many as you need and in any color you choose ([http://www.michigan.gov/documents/lara/Age\\_Sign\\_2013\\_405399\\_7.pdf](http://www.michigan.gov/documents/lara/Age_Sign_2013_405399_7.pdf))



As one of 17 control states, the Michigan Liquor Control Commission's guiding philosophy is to make alcoholic beverages available while regulating their sale and distribution in order to protect the rights and interests of Michigan citizens. The Commission believes this can be accomplished most effectively through selective licensing and strict enforcement. The observance of all liquor laws and the rules of the Commission is in the best interest of everyone—the public, the licensees, and the alcohol beverage industry.

